

**Presentation to the Montana Legislature
Energy & Telecommunications Interim Committee
March 2018**

CRIUS FAMILY OF BRANDS

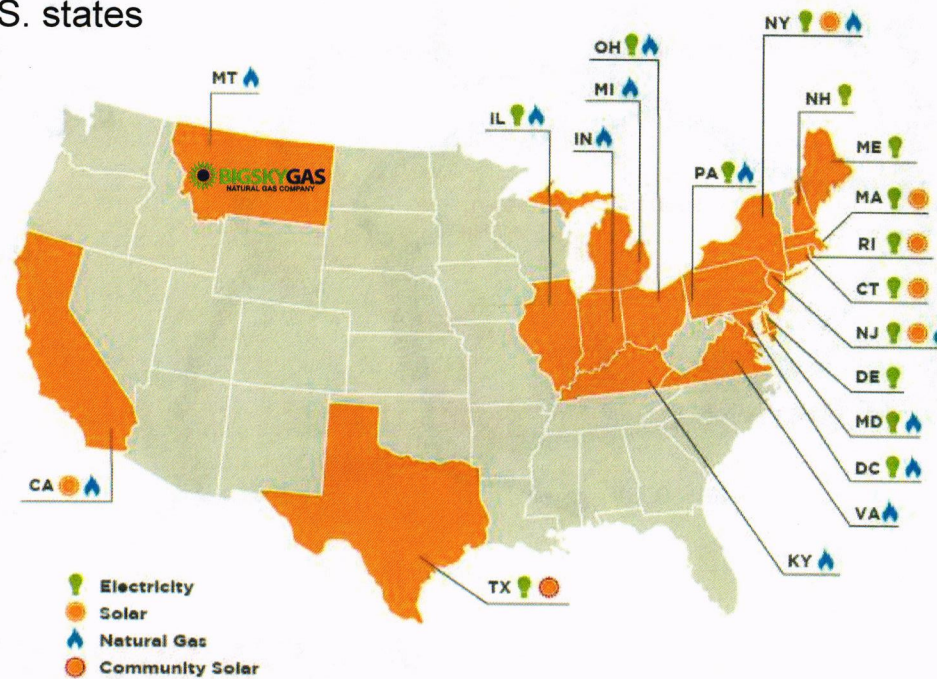
- Supplier of electricity, natural gas, solar and other complementary products
- Serves over 1.4 million customers
- Publicly traded on Toronto Stock Exchange (KWH.UN)
- Ranked Top 3 U.S. Natural Gas Supplier (ERCG Study)
- Best-in-class energy brands, including: Big Sky Gas, Public Power, TriEagle Energy, U.S. Gas & Electric, Viridian Energy, Comcast Energy Rewards, Cincinnati Bell Energy, FairPointEnergy, and Crius Solar
- Named Energy Supplier of the Year, Received Leadership and Integrity Award, Nominated for Most Innovated Energy Marketer of the Year (Energy Marketing Conference)
- A+ BBB Rated Brands



LOCAL ROOTS/NATIONAL REACH

Crius is active in 19 U.S. states and D.C.

- 13 Natural Gas
- 14 Electric
- 7 Solar

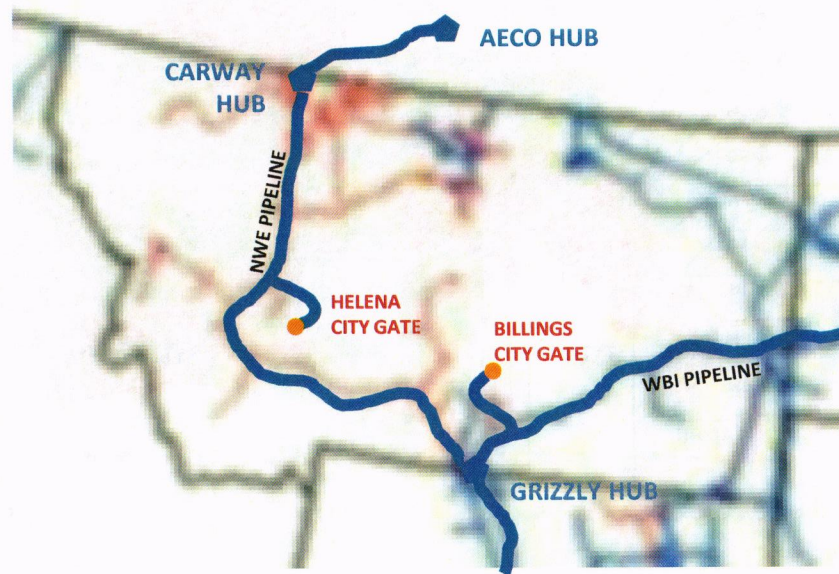
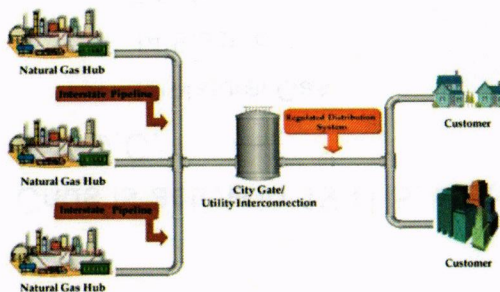


MONTANA NAT GAS SYSTEM

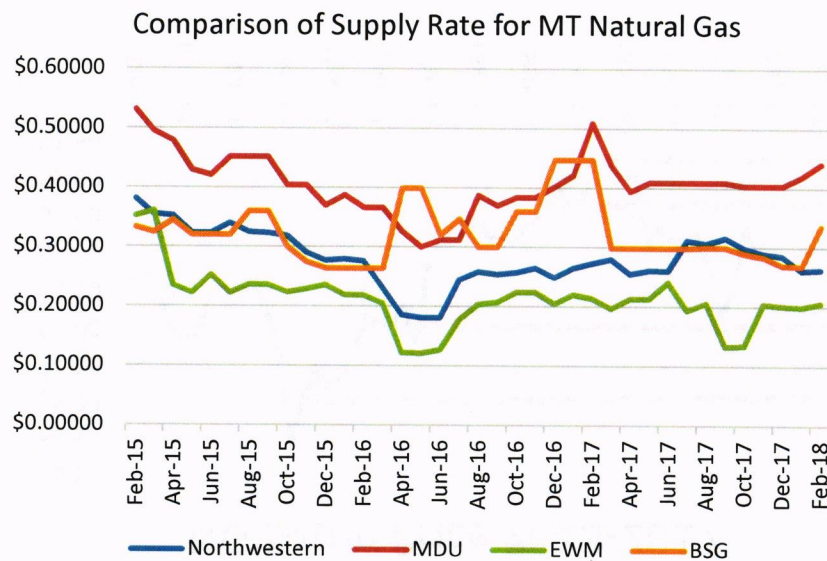
Montana is served by two primary NG hubs:

- AECO (Canada)
- CIG/Grizzly (MT)

Distribution System:



CHOICE IS MORE THAN SAVINGS

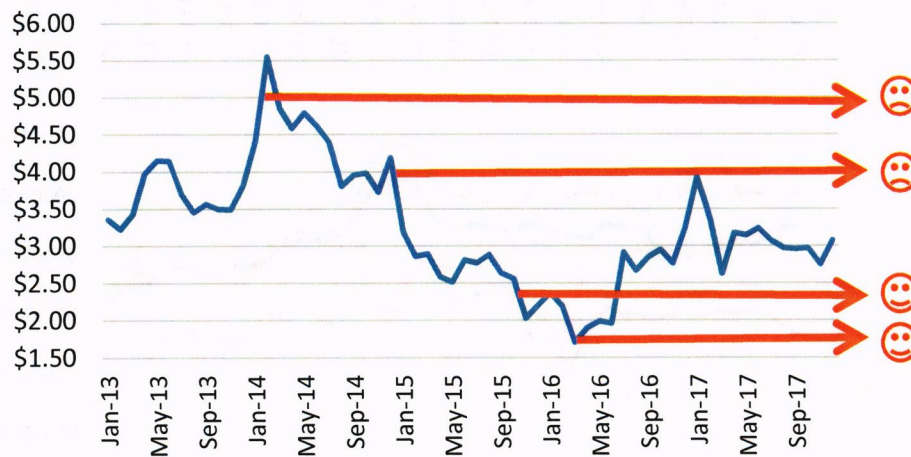


- BSG Term contracts provide price stability unavailable through utilities
- Price comparisons are not “apples to apples”
- BSG fixed prices were better in high usage months (Dec 15-Feb. 16) versus NWE and in line for and Dec. 17-Feb. 18
- Consistently beating MDU rates explains why MDU is opposed to increased competition



APPLES TO ORANGES

NG Settle Price 2013-2017



- Fixed prices allow customers to effectively budget
- Commercial users can gain competitive advantages by timing the market
- Able to off-set impacts of bad market timing through different product offers

Timing is everything when locking in a fixed price agreement. Depending on future market movements, the customer may pay more or less than they would have unhedged



BENEFITS TO CHOICE

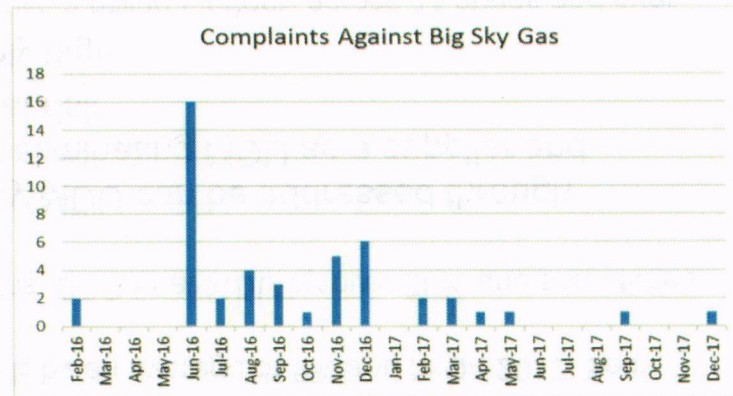
- Without a comprehensive study by the Commission, it is difficult to quantify benefits but:
 - Nov. 15-Feb. 16, BSG beat NWE by an average of 5% and in Q4 2017, beat NWE by over 3.5%
 - Since 2015, during winter months, BSG beat MDU by over 20% and sometimes by over 30%
- Obligation to serve argument by MDU can be addressed through competitive default auctions or eliminating MDU as a supplier and allowing competitors to take that risk
- MDU cost estimates excessively high
 - Crius IT confirmed they could build a billing platform across 14 states and over 50 utilities in half the time and for less money



COMPLAINTS DRASTICALLY REDUCED

Merger of BSG with Crius provided significant benefits:

- Complaints have essentially been eliminated over last 10 months
- Coordination with Commission staff to ensure Montanans are informed and address issues; and
- BSG taking steps to simplify enrollments for clients with approved protections



KEY TAKEAWAYS

- Competition in natural gas is good for Montana
 - Allows for individual control of energy future
 - Creates new jobs and cost savings opportunities
 - Forces utilities to become more efficient and cost effective
- Energy efficiency programs remain available and could be enhanced through competitive suppliers (e.g., green gas)
- Technological changes traditionally adopted by competitors before traditional utilities
- As a company founded in Montana with a stable national partner, BSG will continue to build its partnership with the Commission and Legislature to create a better future for Montana.



